

**USAID/Morocco**

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The attached results information is from the FY 2002 Annual Report for Morocco and was assembled and analyzed by USAID/Morocco.

The Annual Report is a "pre-decisional" USAID document and does not reflect results of USAID budgetary review. Additional information on the attached can be obtained from Laureen Russell, ANE/SPOTS.

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## **Please Note:**

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### **PART III – FY2001 Performance Narrative**

#### **1. Key Achievements for this Reporting Period:**

In FY2001, USAID/Morocco achieved key results at the national level in policy reforms, as well as at the local level in improving the quality of life for Moroccan people.

The most important achievement of USAID/Morocco's economic growth program (SO5), Increased Opportunities for Domestic and Foreign Investment, is the acceptance by the national government of the need to delegate decision making authority concerning all aspects of investment registration and authorizations to regional governments. This decision, due in large part to assistance provided by USAID over the past three years as part of the "Investors Roadmap," is expected to have a major impact in increasing the opportunities for foreign and local investment. While substantive agreement on the need to delegate authorities to the regions was reached during the reporting period, the decision was not officially announced until King Mohammed VI's January 9, 2002 letter to the Government.

A second key achievement occurred in the area of microfinance, where USAID has been the leading donor for the last decade. As of 9/30/2001, the cumulative number of loans made by three USAID-assisted microfinance organizations exceeded the 2001 target by more than 33%, reaching a level of over 200,000 loans versus a target of 150,000.

The most important achievement of USAID/Morocco's environment and natural resources program (SO6), Improved Water Resource Management in the Souss-Massa River Basin, is the Government of Morocco's clear shifts in its thinking on two areas of water management. First is a policy shift from water supply management to water demand management. USAID influenced this shift through policy dialogue combined with working sessions on technical issues, and coordination with other donors working in the water sector. The second area is a recognition that drought must be addressed through risk management rather than crisis management. The USAID Drought Mitigation Activity with the Ministry of Agriculture introduced a ten-step planning process to predict and prepare for the onset of drought. As evidence of GOM confidence in USAID's approach to water management, the GOM provided an additional \$2.3 million in local currency to USAID to expand its watershed protection activities in two regions.

Also in 2001, the Drarga Wastewater Treatment plant became fully operational, including the reuse of treated wastewater for agriculture by a water users association. For the first time in the municipality's history, sewage from households is no longer dumped into open cesspools creating health hazards and contaminating aquifers. More than 10,000 residents have benefited from reduced water pollution of more than 90%. This has also increased private property values, decreased municipal expenses for mosquito control, and improved environmental quality. Also, irrigating with treated wastewater has increased available water supplies by 150,000 cubic meters in a semi-arid region, thus decreasing farmer's pumping and fertilizer costs, and increasing agricultural productivity.

Decentralized water management in the Souss-Massa has been strengthened with the effective operation of six local-level Inter-Agency Technical Working Groups (IATWGs) and a Regional Water Management Committee, the latter being the pre-cursor to the River Basin Agency. Among the authorities delegated by central ministries to the region is the programming of \$3.2 million in SO6 resources to design and implement pilot projects for improved water savings. Six pilot projects were approved by the Regional Committee for start-up in January 2002. Thus, the water sector is on a better development path with improved communication, information sharing, and collaboration among the regional partners. Also, civil society, including water users associations and other NGOs, are more involved in formulating public opinion on how water is used and allocated. This approach to decentralized water management has been cited as a model for the start-up of other River Basin Agencies decreed in the 1995 Water Law.

USAID/Morocco's last phase of assistance to the health sector, Special Objective 7 (SpO7), promotes sustainability of the national population, health and nutrition program. A key program element supports

effective local management of public health services, in collaboration with non-governmental organizations and local officials, in the delivery of quality maternal and child health services. Only one year into the program, despite a history of highly centralized and substantial program support from USAID in the past, the Ministry of Health has not only accepted the decentralized focus of our assistance, they have already “sold” the SpO7 model by creating similar partnerships with other donors (among them UNFPA, GTZ, and JICA) to support decentralization of health services through region-specific programs.

Improving emergency obstetric care (EOC) was the priority of the regional teams this year. Different training modules and approaches to maternity care were in use in different parts of the country. With USAID support, the Ministry of Health developed and adopted a nationwide, comprehensive curriculum for maternity staff. This is an early example of the potential for national impact based on work in the two focus regions. In addition to the launch of the EOC training program in those two regions, 81 clinics received medical equipment, and 30 maternity wings in hospitals and clinics were renovated.

USAID/Morocco's basic education Special Objective (SpO 8), Increased Attainment of Basic Education for Girls in Selected Rural Provinces, achieved important milestones. First, the Ministry of National Education (MNE) decided to use USAID-developed teaching guides and training modules in Arabic, nation-wide. As a first step, the MNE has already reserved funding for the printing of 90,000 copies of one of the training guides. Another guide, composed of seven training modules ranging from basic to advanced computer skills, also in Arabic, will be used at teacher training colleges throughout the nation, mostly through CD ROMs. This decision was particularly significant and timely as it confirmed the relevance and quality of USAID's work during Phase I of the Morocco Education for Girls (MEG) Activity and paved the road for successful Phase II negotiations.

Second, the MNE connected all seven USAID-created multi-media centers at the pilot teacher training colleges to the internet and is covering all related recurrent costs. Third, significant improvements also have been made at the pilot schools. Girls' enrollment ratios have increased to 48% in first grade and 40% in sixth grade, both exceeding their respective targets by 2%. Furthermore, community involvement via Parent Teacher Associations (PTAs) has increased significantly. Because of their efforts, 88% of all pilot schools have improved facilities, 28 percentage points higher than the target for FY 2001.

The regionally funded democracy/governance special objective (SpO9) is Demonstrated Increased Capacity and Active Participation of the Government of Morocco and Civil Society in Support of Citizen Rights. Several significant results were achieved during the reporting period:

- Twelve Moroccan women's rights NGOs were assembled to collaboratively develop a Legal Literacy Training program for women on their legal rights. It will serve as a first of its kind legal resource manual and collection of training modules in Morocco. The program also trained 53 women on how to use Information Technology (IT) to create advocacy networks. In turn, many of those women trained staff in their NGO. Fifty of those NGOs have applied IT skills to expand women's rights networks. In addition, a women's rights resource center was established with over 500 books on human and women's rights.
- Eleven advocacy NGOs were trained in advocacy techniques and how to conduct an Organizational Self-Assessment (OSA). Based on the results of the OSA, one NGO completely re-vamped its strategy and others made significant organizational changes. These changes included upgrading financial management systems, increasing training opportunities for internal staff, identifying new areas to address beneficiaries needs and improving organizational system to better manage staff and volunteers. One NGO translated the self-assessment tool into Arabic. Two NGOs trained staff from thirty-four local NGOs on how to conduct an OSA. Knowledge and application of this tool convinced the majority of participants of the importance of internal democracy and transparency within their organizations. Another part of this program involved a training on Advocacy techniques. Following this training, seven NGOs organized and conducted an Advocacy training for their own staff. Two NGOs held workshops for NGOs in their region, while other NGOs organized advocacy campaigns that reached out to over 1,000 people in their community.

- A comprehensive assessment of how the concepts of good governance (participation, partnership and performance) are currently applied in two regions of Morocco was completed in FY 2001. This activity was conducted to improve the capacity of local governments to be responsive to their constituents. The assessment identified weaknesses and proposed strategies to overcome them. The results of the assessment will now be verified through a consultative process in two regional seminars and then rolled up to the national level that will make recommendations for revisions in the communal code currently being debated.

## **2. Most important challenges:**

The most difficult challenges for the Economic Growth (SO5) Program have involved the evolving relationship between central ministries and local governments. Although the decision to decentralize investment decision authority has been made at the highest level of government, national ministries are still very much involved in the administration of USAID-funded programs. This continued involvement of national ministries reflects in part the institutional weaknesses of local authorities, but also can be attributed in part to the reluctance of national ministries to empower their regional counterparts. On the one hand, the Mission has addressed this challenge by working to reinforce the institutional capacity of regional governments through human resource and systems development. On the other hand, we have worked with national government officials to redefine their roles and responsibilities so that they are better able to support development at the local level.

One of the major challenges faced by the water team (SO6) has been getting six government partners to work together and share information for the first time. This has slowed progress in water management, and encouraged continued vertical management by too many ministries. As a result of interactive tools and activities developed by the water team that demonstrated the value of collaboration, SO6 partners are gradually changing their attitudes, improving communication, and sharing planning information and data with each other. The result has been improved management and trust. This activity faced other challenges related to strengthening the role of the Regional Committee to act as a decentralized decision-making body. Previously, all major decisions were taken by the National Committee. In the past two years, USAID/Morocco succeeded in convincing senior officials in Rabat to delegate more authority and allow the Regional Committee to play the leading role in project oversight. The Regional Committee was given the responsibility to manage the process of pilot project development, and thereby proved itself as a responsible and effective body for collaborative decision-making. This became a model for decentralization. Another challenge was resistance of some local authorities to include civil society and NGOs in decision-making in water resources management. Many public partners did not understand the perspective and contribution that could be made by NGOs, and in some cases felt threatened. SO6 is helping to change this attitude by organizing joint planning exercises. Under SO6's component to improve non-government participation in water resources management, NGOs, such as water users associations, are helping to build partnerships and coordination among all the main players in the region.

One of the elements of the health program (SpO7) is to increase use of reproductive and child health products and services in the private sector. Not only good products but also affordable, high-quality health services are needed if the private sector is to become a strong source of family planning and child health care. In Morocco, excessive regulations and ingrained professional attitudes impede private sector primary health care. Changing this environment requires major policy changes and a recognition by private physicians that it is in their own interest to broaden their client base through new health care delivery modes. While much ground-breaking work has been done by USAID, these policy and attitude changes are unlikely to occur soon at the national level. Therefore, in 2002 work will be focused in specific locations to develop innovative solutions in partnership with private doctors more open to new health care strategies, as models to bring up to the national level.

In education (SpO8), the challenge was getting the full attention and collaboration of relevant ministerial departments in the planning and implementation of MEG Phase II. MNE coordination during Phase I was rather weak and bypassed several potential stakeholders, thus putting wider recognition and impact of USAID's work at stake. Through a series of discussions prior to and following the Phase I evaluation, the

SpO8 team managed to get MNE buy-in through the creation of a Joint Steering Committee, which included national and provincial representatives. This committee's mandate includes assuring that training modules produced with USAID support will be assessed thoroughly by the MNE for national application. To date, one technical department is taking this task head-on and a joint USAID-MNE final testing plan has been developed to work towards national application.

One central challenge in democracy/governance (SpO9) was how to promote development oriented activities that support and complement the overall USAID/Morocco portfolio, without the benefit of a long-term strategic framework agreement within the Embassy's Democracy Working Group (DWG). Moroccan elections in September 2002 will conclude several activities supported by the DWG and likely re-open the strategic framework discussion. The previously slow implementation process has improved somewhat and six of the nine programs are in initial phases of implementation.

Another challenge, inherent to the nature of SpO9 activities, is exacerbated by the upcoming election. For example, the Code of Ethics project is moving slower than expected. A Ministerial Working Group, headed by the Prime Minister, developed the first draft of a Code of Ethics. The Moroccan Ethics Resource Team, composed of Ethics experts from around the globe, has made comments and sent them to the Ministerial Working Group. Even though the Prime Minister has expressed a desire to finalize the code of ethics prior to the election, we believe the final draft will take more time to develop because many members are focused on their own party politics for the up-coming election.

### **3. Beneficiaries:**

All Economic Growth (SO5) programs, except commercial law reform, involve pilot activities in the Souss-Massa-Draa area that could be replicated to other regions. Beneficiaries are the owners, managers, and employees of private enterprises that range in size from microenterprises that benefit from access to loan capital, to the larger enterprises that will benefit from policy, regulatory, and judicial reforms. For business owners, the principal benefits of government reforms come in two forms: increased profitability; and reduced risks, the former from lower transactions costs, and the latter from greater transparency in government decision making. For employees, benefits accrue in the form of increased job availability, increased job stability, and higher incomes.

Water management activities (SO6) benefit a wide range of beneficiaries. These include: small and medium sized farmers organized under Water Users Associations who are benefiting from the introduction of modern technologies to conserve water for irrigation; urban potable water users such as households and businesses who are benefiting from clean water and improved availability; municipalities with wastewater treatment and reuse systems are benefiting from improved sanitation and health for their residents, and the addition of new sources of water for farms and green spaces; and regional ministries and water agencies participating with SO6 are benefiting from improved planning and decision-making as a result of better data and opportunities for collaboration.

Beneficiaries of health activities (SpO7) include all Moroccan women of child-bearing age and children under five, who will have a more sustainable health system serving their needs. The largest element of the program directly affects health care for women and children in two regions of the country, covering roughly 20% of the population.

The ultimate beneficiaries of basic education (SpO8) program are the rural girls and boys in the pilot, and extension, schools who enjoy an improved school environment, including better-trained teachers and better-managed schools. Teachers, school directors and inspectors received training in student-centered teaching and learning, equity in the school environment, and school management from a partnership perspective. Students and faculty of the teacher training colleges (TTCs) benefited from computer skills training introducing them to information technology, for improvement of the quality of teacher training. Furthermore, parent and teacher associations (PTAs) benefited from USAID-funded training and from small grants enabling them to implement micro-projects for school improvement. Last but not least the

MNE at large has benefited from USAID-developed computer training materials in Arabic that it will use nation-wide.

Moroccan NGOs, women electoral candidates, and government officials at national and local levels are the immediate beneficiaries of training and technical assistance to increase citizen participation provided under the democracy/governance (SpO9) activities. Secondary beneficiaries include: 1) the communities in which the NGOs and local government work, in a wide variety of sectors, from water to children's rights; and 2) the women and other victims of human rights/legal abuses.

#### **4. Strategic Objective/Special Objective Performance**

##### **608-005: Increased Opportunities for Domestic and Foreign Investment**

Although most of the programs and activities contributing to the achievement of USAID/Morocco's Economic Growth Strategic Objective only started up in early calendar year 2001, solid progress was realized through the end of the reporting period, 9/30/2001, and has continued to the present date. The following program areas have been largely successful in meeting targets at the intermediate results level:

- Reengineering Administrative Processes: Local and national officials agreed to action plans in two important areas: business registration; and allocation of public lands for private operators. In the former, officials have agreed to establish a one-stop business registration center in Agadir that is expected to reduce the time to register a new business from several weeks to 48 hours. With respect to land allocation, relevant public agencies have compiled detailed information on their respective procedures that will be available in hard copies and on web sites, and will help increase the transparency of the process.
- Commercial Court Streamlining: The pilot project in the commercial court in Agadir is proceeding so well that judges are already reporting preliminary, but unconfirmed, reports of reductions in the time it takes to process litigation. Furthermore, the Ministry of Justice has been so pleased with the improvements in systems and procedures at the court that it wants to expand the program to the commercial and appellate courts in Marrakech. USAID has agreed to reallocate funds from other areas for this purpose.
- Business Associations: Two associations, one in tourism and the other in fruit and vegetable exports, have reported that they exceeded their 2001 targets for raising funds from their members. Both of these associations have benefited from new management information systems and business training and will soon launch new web sites to help connect their members to international markets. Unfortunately, assistance to a third business association, one that represents fish exporters, had to be cancelled due to a lack of consensus among the group members on how to proceed.
- Microcredit: As mentioned in the Performance Data Tables, USAID/Morocco believes that its microfinance program has achieved a 'significant result' in that our partners' microloans are making significant changes in people's lives. As of 9/30/2001, the cumulative number of loans made by three USAID-assisted microfinance organizations exceeded the 2001 target by more than 33%, reaching a level of over 200,000 loans versus a target of 150,000. In programs targeting rural areas about 5,000 new loans were extended. In addition, USAID commenced program and administrative improvements at five other microfinance organizations.

One program area, commercial law reform, has not proceeded as planned. This has been due primarily to the reluctance of the Ministry of Justice to undertake a comprehensive review of commercial laws and regulations, as originally agreed at the inception of the program. On the positive side, however, the Ministry is very interested in internal administrative reforms at the national and local level. As a partial solution, USAID has recently agreed to reallocate some funds to commercial court strengthening in Marrakech, although we will continue to pursue some legal reforms at the national level.



In general, the Mission has been quick to reallocate funds to partners that have exhibited a willingness to make reforms and/or improve their services to their business clients. In addition to changes in the programs with the Ministry of Justice and business associations, we have allocated additional resources to implement the one stop business registration center in Agadir. This decision was based on very positive responses on the part of the Wilaya of Agadir as well as the cooperation of the Ministry of Commerce and Industry, the lead national agency.

#### 608-006: Improved Water Resource Management in the Souss-Massa River Basin

SO6, USAID/Morocco's environment and natural resources program continued to meet its targets and make progress toward improving water management in the Souss-Massa region. The creation of a sustainable and participatory River Basin Agency (RBA) that manages the region's water supplies and contributes to economic growth and prosperity is the ultimate goal of the SO. The Mission just completed year two of this five-year effort, and the foundation for building an RBA is moving on schedule. The SO is supported by three intermediate results: (IR1) Institutions and policies for water resources management improved in the Souss-Massa river basin; (IR2) Best practices in water resources management developed and disseminated; and (IR3) Non-governmental participation in water resources management increased.

Under IR1, despite delays in naming an RBA Director, USAID and its Moroccan partners took important steps to make an RBA operational. These include the development of data bases on water supply and water quality that are being shared by all partners operating in the water sector; the full involvement of six Inter-Agency Technical Working Groups (IATWGs) in all aspects of implementation, thereby achieving the goal of integrating decision making; and a fully operational interagency information network to enable communication and data sharing in real time. Decentralization was advanced as evidenced by the central ministries having delegated approval of the pilot projects to the region.

Under IR2, the SIWM Regional Committee and IATWGs completed the design of all six planned pilot projects, i.e.:

- Providing hydrologists access to real-time hydraulic data through telemetry (cellular phones);
- Introducing more efficient drip irrigation systems to water users associations;
- Advising farmers on how to save water for irrigation by installing electronic billboards on major roads informing them of daily water requirements for key crops;
- Creating a shared electronic database on water quantity and quality for more effective decision-making;
- Developing a comprehensive inventory of dams, wells, and irrigation systems in the basin for better planning; and
- Preparing a strategy for mitigating water pollution in urban and rural areas.

One of the pilot projects has already produced a water quality and quantity database, and progress was achieved on feasibility studies for drip irrigation and telemetry.

Under IR3, civil society in water resources management was enhanced. A survey identified 1,337 NGOs with water activities in the region, assessed their capacities and needs, developed a partnership with them and eventually selected the most qualified ones to represent the broader community working in the water sector. Following the survey, a regional NGO workshop was organized to open a dialogue between the civil society and the regional water decision makers, identify qualified NGOs that are interested in becoming members of the RBA, and improve public and private sector partnerships among all stakeholders.

#### 608-007: Key Interventions Promote Sustainability of Population, Health and Nutrition Programs

SpO7 met its overall 2001 targets. In its final phase of collaboration with the MOH, as a principal element of this program, USAID was asked to help improve the quality and responsiveness of health services

through localized approaches. By focusing in two of the 16 regions, while maintaining a national policy dialogue, this activity spearheads the Ministry's efforts to decentralize health management, especially maternal and child health. One year into the program, with USAID support, regional health teams were forged and have made strong progress by analyzing regional problems, creating and executing ambitious workplans, and developing partnerships with local officials and non-governmental organizations to achieve their objectives in maternal and child health. USAID assistance resulted in increased capacity to plan and implement programs:

- 7 regional health managers were trained in budget allocation and tracking, computer and internet skills, logistics, and quality assurance methods;
- 8 regional training facilities were upgraded;
- 9 operations research was carried out on key aspects of health care in the regions; and
- 10 new quality improvement approaches were introduced and existing ones were strengthened. Some of the solutions developed by clinic staff proved particularly effective, and are ready for replication in other sites.

In one of the regions, increases in use of family planning exceeded targets, while in the other the use of these services in the public sector stagnated. USAID will work closely with this region's team to improve family planning services in 2002.

The 2001 targets for the private sector element of the health program were not met. USAID supports this activity through field support and the USAID Commercial Market Strategies (CMS) project. Despite strong efforts by the contractor, the private sector market share of reproductive health services did not increase in 2001. Excessive regulations and ingrained professional attitudes impede private sector primary health care in Morocco. The policy efforts have begun to attract broader attention and support. In 2002, attention will be increased on provider-based and promotional activities in several provinces with large peri-urban areas. The aim will be to increase the acceptance, skills and active involvement of local private doctors in prescribing these methods and to increase the demand of clients for these services. New tools and approaches to assist private sector reform will also be explored in these provinces, to inform and reinforce policy dialogue at the national level. At the end of 2002, USAID will review the performance and results to determine the future of the program.

USAID also responded to specific MOH requests to strengthen its health programs in order to consolidate past investments by USAID. In 2001, USAID provided field support via the USAID micronutrient program, MOST. The activity helped the MOH undertake an ambitious program to introduce nutritionally fortified foods and to improve counseling and supplementation for women and children in health clinics. USAID assisted the MOH in drafting regulations and forming partnerships to fortify wheat flour with iron and B vitamins. Under the private sector social marketing program, a media campaign was developed to explain food fortification and launch the new flour nationwide in 2002.

#### 608-008: Increased Attainment of Basic Education for Girls in Selected Rural Provinces

SpO8 met its targets for FY 2001 by increasing the participation and retention of rural girls in the basic education system. An integrated set of activities improved the overall school environment, especially for girls. During this period, USAID successfully completed Phase I of its program, dedicated to the design and field-testing of training guides in eight target provinces. These guides aim to: (1) improve the quality of teaching; (2) increase community participation in education; and (3) improve educational management at the provincial level. Given that USAID's activities directly support the National Charter for Education and Training, the Ministry of National Education (MNE) is eager to support and replicate USAID's successful approaches.

During FY 2001, a total of 12,470 children, (5,654 girls/6,816 boys) have been affected by USAID's basic education program. USAID's impact has spread from 33 pilot schools to 66 extension schools. Over 840 school personnel were trained using USAID-developed training modules on: a) equity in the school environment, b) student-centered teaching methodologies with applications to Arabic and math, c) school

management from a partnership perspective, and d) integration of new teachers in rural areas. In addition, the capacity of pilot teacher training colleges (TTCs) has been strengthened through faculty training workshops and collaborative piloting of training materials with USAID. The five original provinces now have cohesive training teams capable of delivering effective workshops on these topics.

Under USAID's information technology initiative, 2,500 TTC professors and future teachers have been trained in basic computer literacy and in the production of interactive education materials, at the TTC multi-media centers equipped by USAID. A total of seven training modules and a website for educators have been developed for the first time in Arabic and will be used nation-wide, within the MNE's plan for the introduction of information technology in education.

PTAs received training in the roles and responsibilities of PTAs and equity considerations using USAID-developed training guides. Learning by doing activities included: a) exchange visits to successful PTAs, b) local identification and management of micro-projects to improve school infrastructure and c) participation in a national PTA forum on lessons learned. Women's committees within PTAs have significantly increased from one to six since last year, thus advancing the objective to increase the participation of rural mothers in school affairs.

Civil society and private sector participation in rural girls' education has grown with USAID's administrative and financial support of the National Committee for Girls Education (CSSF). The NGO's highly successful scholarship program gathers funds from the Moroccan private sector and provides rural girls with scholarships for middle school.

Teams within the MNE's provincial delegations were trained in planning and management techniques. These teams now have the basic ability to collect and analyze data and to develop a simple strategy with a monitoring plan to address education system weaknesses. Given the National Charter's emphasis on decentralization and the recent creation of Regional Academies for Education and Training, provincial education officials are prepared and more interested than ever in making strategic decisions for their provinces.

#### 608-009: Increased Capacity and Active Participation of Civil Society NGOs and the GOM in support of Citizen rights

The democracy/governance special objective (SpO9) team met four of its seven targets in 2001:

- NGOs internal capacity strengthened through training and provision of a self-assessment tool;
- Training provided to assist NGOs in executing strategies to address organizational needs;
- Women NGOs applied information technology training to expand women's rights networks; and
- The current decentralization laws and practices were assessed in two pilot regions.

Given the collaborative nature and complexity of the legal literacy program, the delay is understandable and the program will be completed in March 2002. The final version of the Code of Ethics has not yet been completed because of a lack of focus of the Ministerial Working Group due to the upcoming elections. The advocacy training of trainers for NGO staff, implemented by a Moroccan NGO, was delayed because of a change in the coordinator of the project. The activity started in January 2002.

#### Crosscutting Themes

By design, USAID Morocco's Crosscutting Themes (CCT) strategy complements, leverages and adds value to all SO and SpO activities in the Souss-Massa-Draa (SMD) Region. CCT activities also support GOM's initiatives in decentralization, with the specific goal of "Improved Quality of Life in the SMD Region," and in particular aiming to increase the use of quality services. Our rationale was and remains that, by using the crosscutting strategy, the Mission would be able to break out of a "stovepiped" approach and respond to GOM and community development priorities. Our approach was to build capacity of local governance and civil society to make these quality services available and worthwhile for

the end users. Our implementation tactic was to use the common themes (thus crosscutting) of gender integration and public- private partnerships.

According to the WIDTECH assessment in 2001, CCT's impact on program coordination within the Mission has been positive across all SO/SpOs. All team leaders have gained a better understanding of each other's programs and seek ways to strengthen their collaboration through contract teams and in the field. According to the WIDTECH team, this was "a considerable accomplishment, considering the range of differences in the SO/SpO Team approaches and orientations, the range of personalities typical of any USAID mission, and the pressure to achieve concrete results." Additionally, USAID Morocco's implementing partners for Integrated Rural Development, the Near East Foundation and Catholic Relief Services are now jointly reporting on indicators which reflect progress in three areas: civil society strengthening, gender integration, and public-private partnerships. An example, among the CRS village associations, is in Idaouissi, where the association leaders identified a problem of water quality in the village, provided scientific empirical data, and engaged the regional government authorities to jointly seek a solution. This private civic action would not have happened two years ago in this village.

While less than two years after its approval, the CCT program seems to be starting to have an impact on the quality of life and the availability of quality services. More importantly, there are initial indications that our partner communities are gaining the tools, the confidence and the experience they need to continue and expand. Some village associations now teach other village associations how to organize, plan, implement, and when necessary, take their cases for hearing to the next higher local authority. We have also received enthusiastic participation and feedback on Local Governance and Gender Integration efforts at the regional level. Our partners and we are seeing the value of co-location, co-implementation, and joint planning for achieving synergies. For example, in the Tiznit Province, CRS and Morocco Education for Girls facilitate meetings between parent-teacher associations, school administrations, and local government officials. In September 2001, PTA members met with school officials and local authorities to discuss setting up libraries at each school using small project funds during the current school year.

All CCT activities are in the latter half of their implementation. For civil society development, Catholic Relief Services, Near East Foundation, and Helen Keller International are effectively working in more than 60 villages, helping local associations plan and implement integrated development. For local governance, the recently completed assessment of strategic planning efforts and methodologies received very positive input and reaction from the local and national-level officials. Soon, a draft guide on participatory strategic planning for use by local authorities will be ready for testing. Lastly, a just-completed market research study for our communications effort recommends further actions, which could effectively deliver key messages to promote newly available services to the residents of the Souss-Massa-Draa region. An example could be radio soap operas in local dialects which promote health, education, water use, and women's empowerment messages.

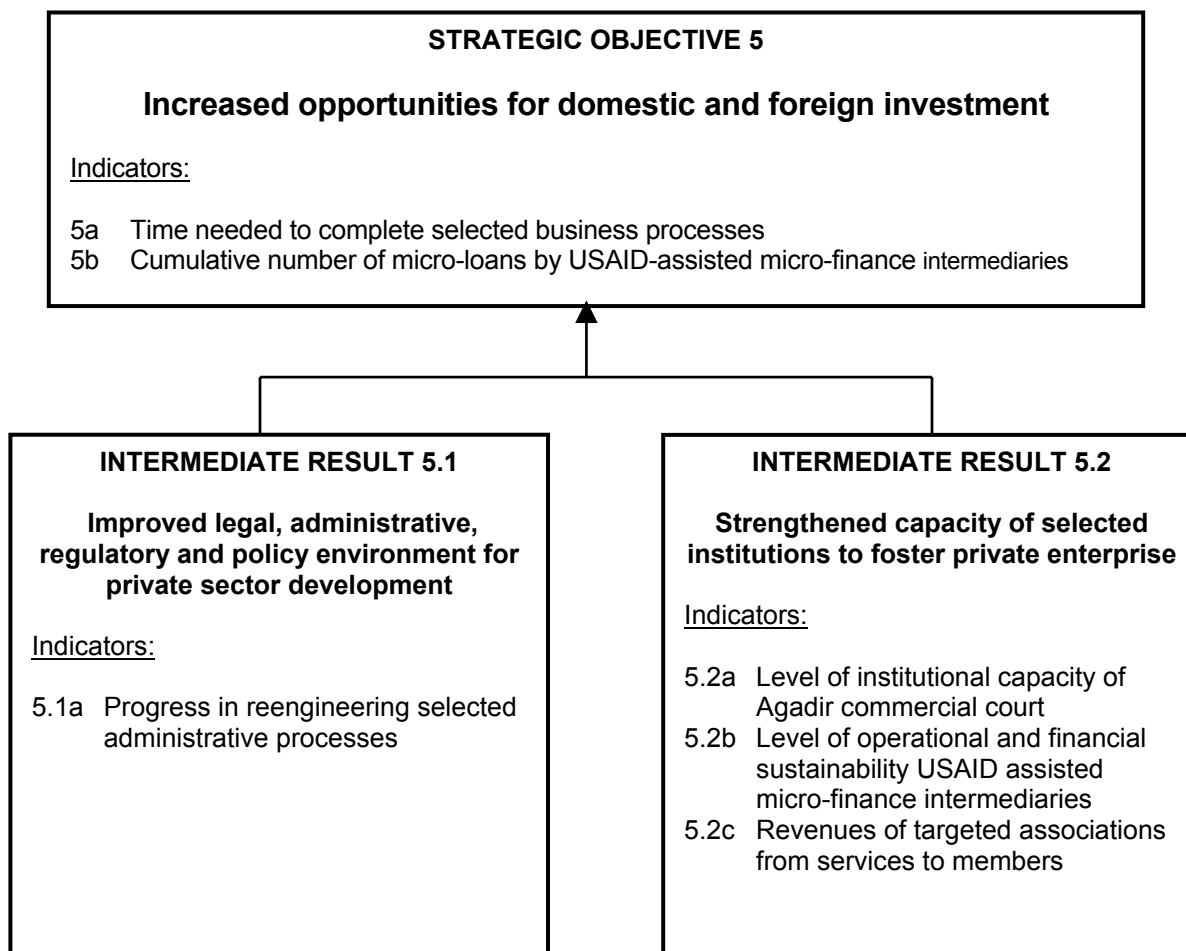
Finally, our mandate was to evaluate this CCT program and to decide whether to evolve it beyond our mid-term country strategy review. Because of the lessons we've learned during the CCT design and implementation, and in response to September 11<sup>th</sup>, we have decided USAID and Morocco will receive the most bang for our limited bucks by combining CCT and our Democracy and Governance SpO.

## **5. Activities Funded Through Housing Guaranty:**

In FY 2001 the Moroccan agency for sub-standard housing (ANHI) financed, developed and delivered 3,992 plots affordable to low income under the Urban Infrastructure, Land Development and Financing Program (608-HG-004). Mission has approved all eligible expenditures and is currently awaiting Ministry of Finance request to borrow the remaining \$16.5 million authorization as a reimbursement to ANHI so they can continue making similar types of investments. This is the final tranche of this \$61.5 million program previously reported under SO2.

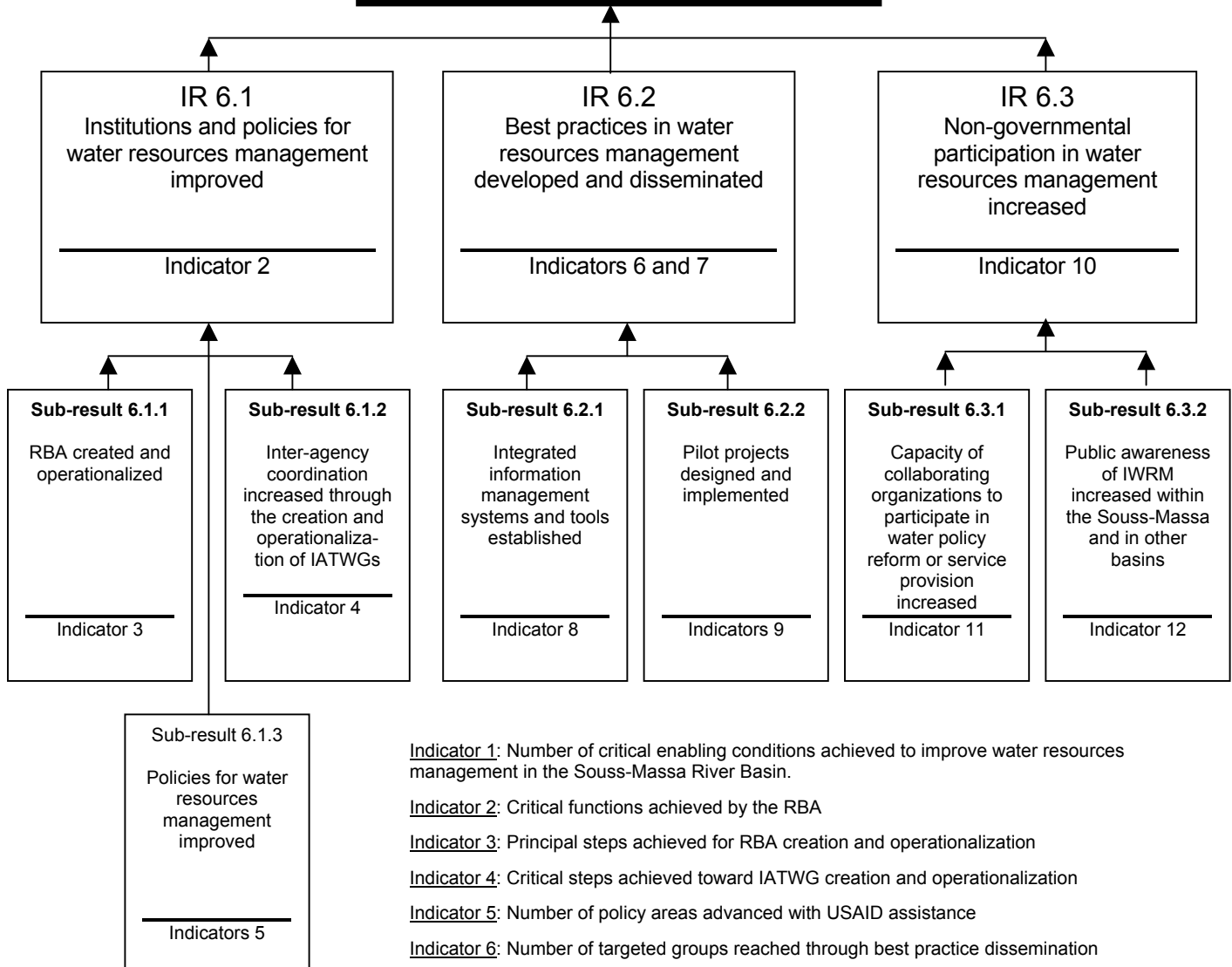
## PART IV – FY 2001 PERFORMANCE DATA TABLES AND RESULTS FRAMEWORKS

- a. Performance tables: (see separate worksheets)
- b. Updated Results Frameworks:



**Strategic Objective 6**  
**Improved Water Resources**  
**Management in the Souss-Massa**  
**River Basin**

Indicator 1 (See box below)



Indicator 1: Number of critical enabling conditions achieved to improve water resources management in the Souss-Massa River Basin.

Indicator 2: Critical functions achieved by the RBA

Indicator 3: Principal steps achieved for RBA creation and operationalization

Indicator 4: Critical steps achieved toward IATWG creation and operationalization

Indicator 5: Number of policy areas advanced with USAID assistance

Indicator 6: Number of targeted groups reached through best practice dissemination

Indicator 7: Number of best practices disseminated to SIWM stakeholders in target areas

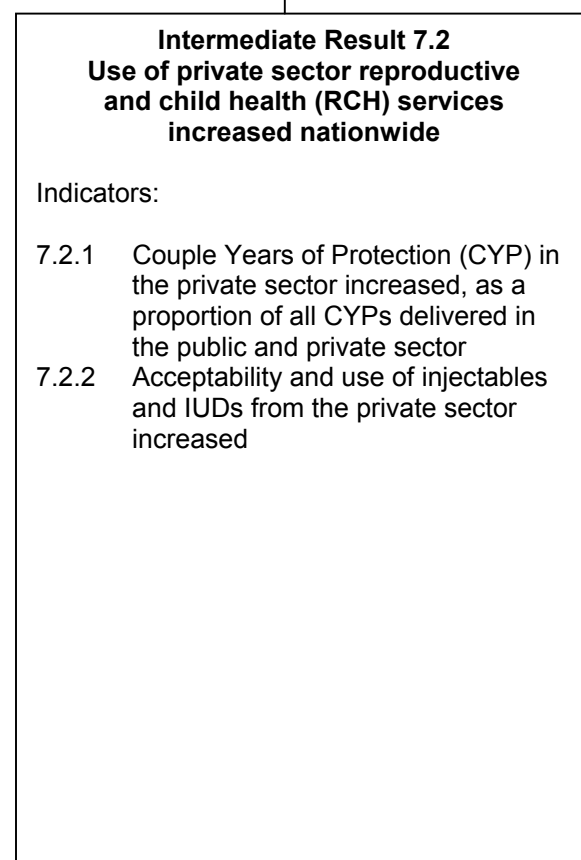
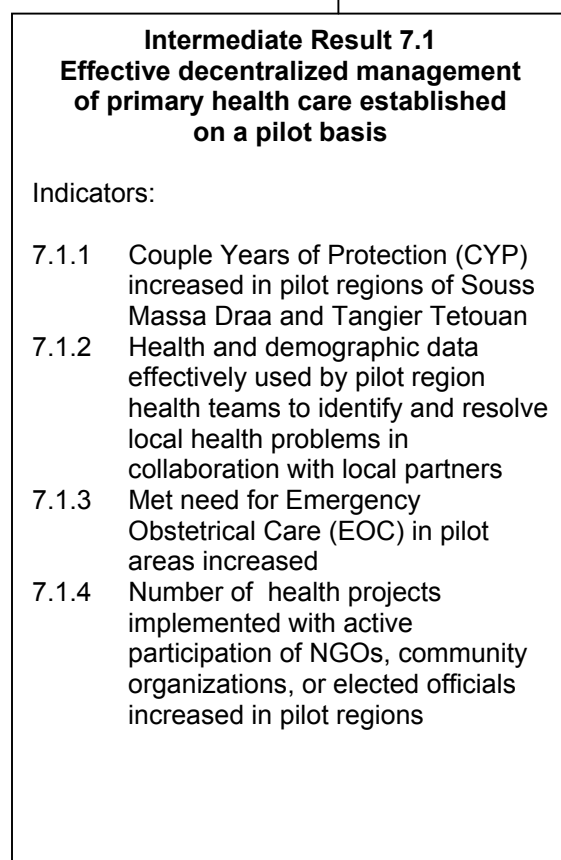
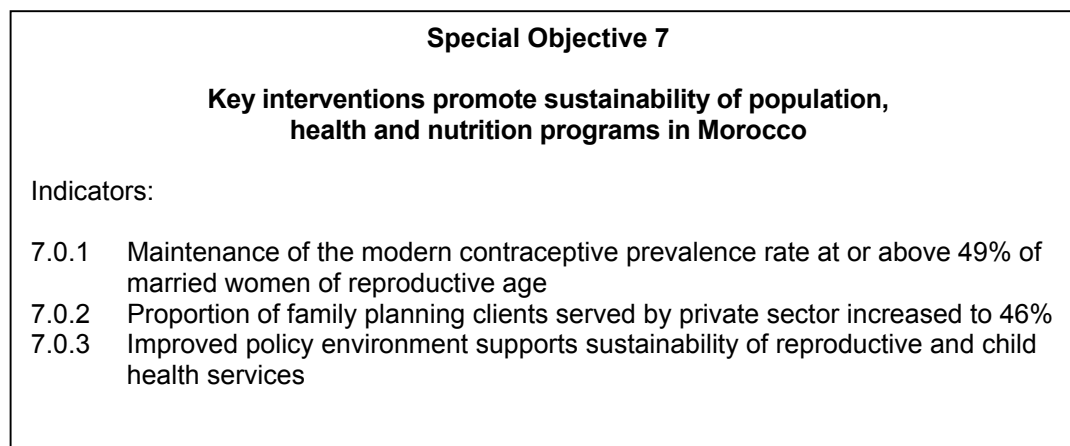
Indicator 8: Number of government agencies and NGOs reporting use of databases and information systems supported by SIWM as a source of information for IWRM

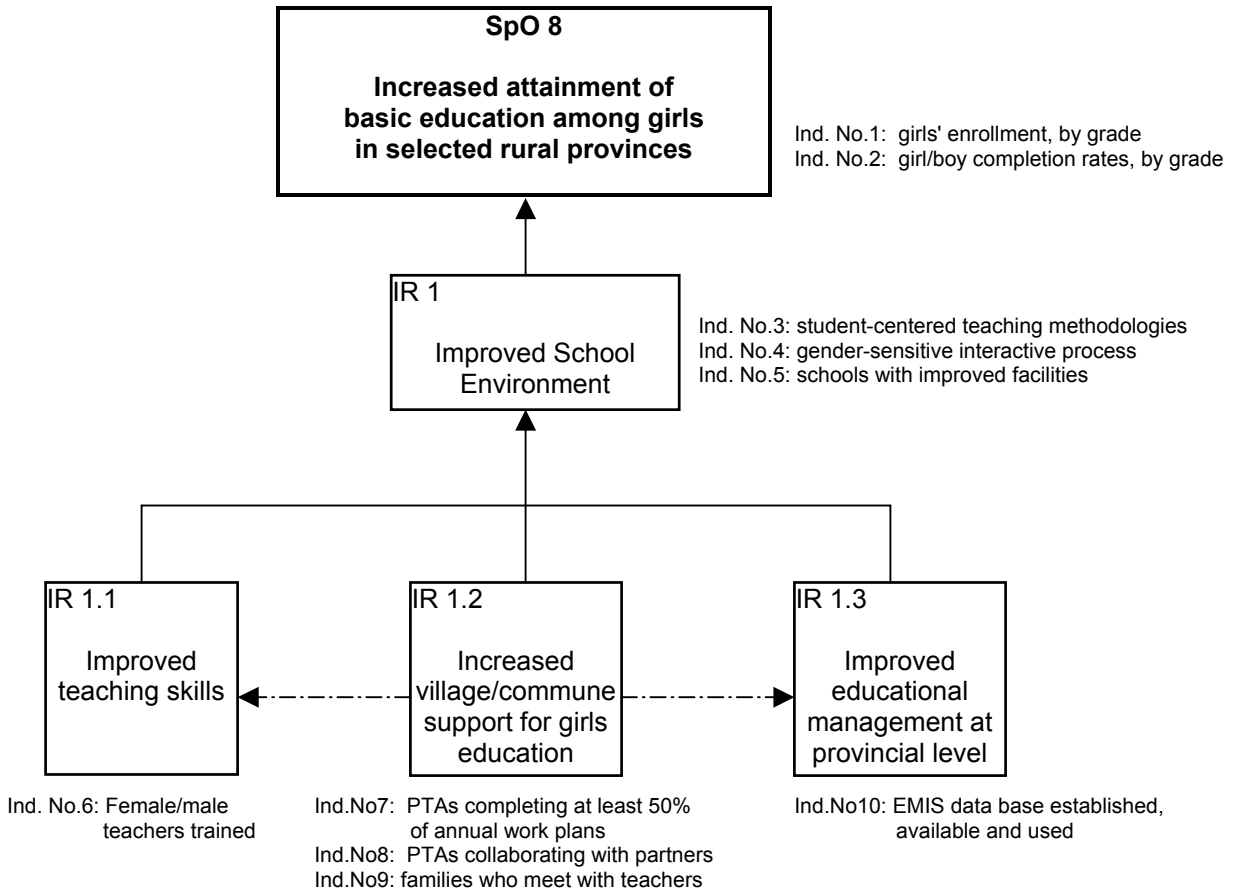
Indicator 9: Progress toward development and implementation of pilot projects

Indicator 10: Number of partner NGOs and other collaborating organizations demonstrating capacity to participate effectively in water resources management planning and implementation

Indicator 11: Steps achieved toward improving NGO collaboration in water planning and implementation

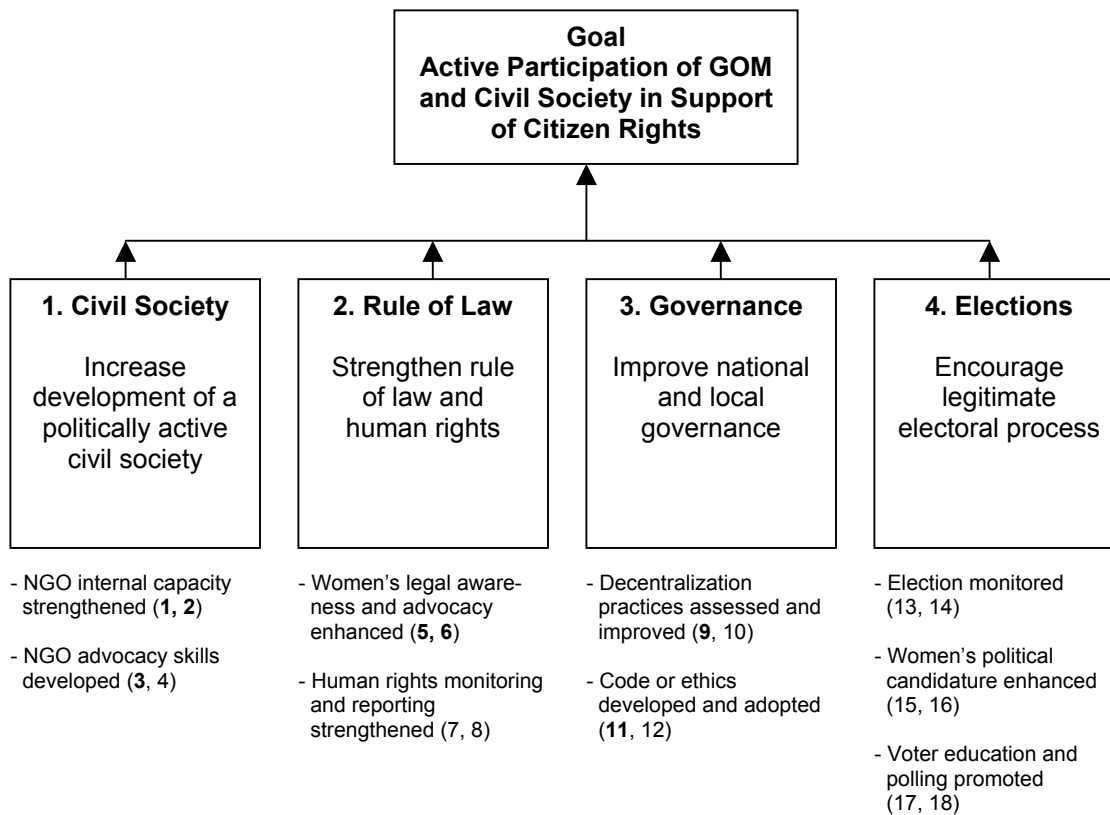
Indicator 12: Number of outreach events supported by SIWM or partners on IWRM topics







## Special Objective 9: Democracy Governance Results Framework and Benchmarks



Benchmarks: (Data for the seven benchmarks **in bold** was collected for this reporting period)

1. **# of NGOs that complete Organizational Self-Assessment**
2. **# of NGOs that execute strategy to address organizational needs**
3. **# of trainers trained in NGO advocacy skills**
4. # of NGOs that receive training as a result of TOT
5. **# of NGOs using women's Legal Literacy Manuals**
6. **# of NGOs that apply IT training to expand women's rights networks**
7. # of NGOs trained in Human Rights monitoring and reporting
8. # of Human Rights reports generated by trained NGOs
9. **Current status of decentralization laws and practices assessed**
10. Strategy to assist local governance developed with local participation
11. **Code of Ethics drafted in collaboration with civil society and private sector**
12. GOM implements code of ethics on a pilot basis
13. # of NGOs that receive training in elections monitoring
14. # of NGOs that participate in a coalition of domestic monitors
15. # of women trained in campaigning skills
16. # of women who campaign for office
17. # of education campaigns mounted by trained NGOs
18. # of voter polls conducted by trained NGOs

Table 1: Annual Report Selected Performance Measures

USAID/Morocco

May 6, 2002

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
Pillar I: Global Development Alliance: GDA serves as a catalyst to mobilize the ideas, efforts, and resources of the public sector, corporate America and non-governmental organizations in support of shared objectives						
1	Did your operating unit achieve a significant result working in alliance with the private sector or NGOs?	Yes <b>X</b>	No	N/A		Beneciaries, village development associations, are taking what they learn their training and experiences-- and teaching other village associations.
2	a. How many alliances did you implement in 2001? (list partners)	1				With Helen Keller International for an intregrated rural development project to work in 35 rural villages building capacity of local civil society to plan finance and implement local development
	b. How many alliances do you plan to implement in FY 2002?	4 to 5				International Youth Foundation, Agence du Nord --a Moroccan Regional Development Organization, Cities Alliance, and one or two other TED
3	What amount of funds has been leveraged by the alliances in relationship to USAID's contribution?	\$1.5 million from others; \$474,000 from USAID				Contributions brought to project by other donors through HKI as stated in their proposal to us.
Pillar II: Economic Growth, Agriculture and Trade: USAID works to improve country economic performance using five approaches: (1) liberalizing markets, (2) improving agriculture, (3) supporting microenterprise, (4) ensuring primary education, and (5) protecting the environment and improving energy efficiency.						
4	If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets? <b>SO 608-005</b>	Exceed	Met <b>X</b>	Not Met	DA, ESF	Data is provided by USAID-funded recipients and contractors, and independently verified by USAID/Morocco's Office of Financial Management.
	If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets? <b>SO 608-006</b>	Exceed	Met <b>X</b>	Not Met	DA	Data is collected on a regular basis through direct observation, field trips, and consultation with beneficiaries. The SO 6 team also assesses, on a regular basis, its indicators and targets and their links to Intermediate Results (IRs) and Strategic Objective (SO).
	If you have a Strategic Objective or Objectives linked to the EGAT pillar, did it/they exceed, meet, or not meet its/their targets? <b>SpO 608-008</b>	Exceed	Met <b>X</b>	Not Met	CSD	The data quality is valid, reliable and based on Ministry of National Education sources at the provincial level that have been verified by the USAID contractor.
USAID Objective 1: Critical, private markets expanded and strengthened						
5	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No <b>X</b>	N/A	DA, ESF	Data is provided by USAID-funded recipients and contractors, and independently verified by USAID/Morocco's Office of Financial Management.
USAID Objective 2: More rapid and enhanced agricultural development and food security encouraged						
6	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A <b>X</b>		

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
USAID Objective 3: Access to economic opportunity for the rural and urban poor expanded and made more equitable						
7	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A		Data on microfinance associations is provided by USAID-funded recipients, whose records are audited on an annual basis by independent auditors.
USAID Objective 4: Access to quality basic education for under-served populations, especially for girls and women, expanded						
8	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A	CSD	
9	a. Number of children enrolled in primary schools affected by USAID basic education programs (2001 actual)	Male 6,816	Female 5,654	Total 12,470	CSD	The data quality is valid, reliable and based on Ministry of National Education sources at the provincial level that have been verified by the USAID contractor.
	b. Number of children enrolled in primary schools affected by USAID basic education programs (2002 target)	7,500	6,500	14,000	CSD	
USAID Objective 5: World's environment protected						
10	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes X	No	N/A	DA	Data is collected on a regular basis through direct observation, field trips, and consultation with beneficiaries. USAID's team also assesses, on a regular basis, its indicators and targets and their links to Intermediate Results (IRs) and Strategic Objective (SO).
11	a. Hectares under Approved Management Plans (2001 actual) b. Hectares under Approved Management Plans (2002 target)					
Pillar III: Global Health: USAID works to: (1) stabilize population, (2) improve child health, (3) improve maternal health, (4) address the HIV/AIDS epidemic, and (5) reduce the threat of other infectious diseases.						
12	If you have a Strategic Objective or Objectives linked to the Global Health pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met X	Not Met	POP CSD	Data quality is good - documentation in PMP file shows evidence re annual targets for a total of 7 indicators. For 2 indicators, data is only available through DHS surveys and is not reported this year.
USAID Objective 1: Reducing the number of unintended pregnancies						
13	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A	POP	Too early to report significant progress due to program interventions. National CYP data is moderate quality, data in the two regions is good.
USAID Objective 2: Reducing infant and child mortality						
14	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No X	N/A	CSD	Too early to report significant progress due to program interventions. Public service delivery data is moderate, but training is underway to improve use of the information system.

Indicator (all data should pertain to FY or CY 01)		OU Response			Fund Account	Data Quality Factors
<b>USAID Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth</b>						
15	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No <b>X</b>	N/A	POP CSD	Too early to report significant progress due to program interventions. Public service delivery data is moderate, but training is underway to improve use of the information system.
<b>USAID Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries</b>						
16	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A <b>X</b>		
<b>USAID Objective 5: Reducing the threat of infectious diseases of major public health importance</b>						
17	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A <b>X</b>		
<b>Pillar IV: Democracy, Conflict and Humanitarian Assistance</b>						
18	If you have a Strategic Objective or Objectives linked to the Democracy, Conflict and Humanitarian Assistance Pillar, did it/they exceed, meet, or not meet its/their targets?	Exceed	Met <b>X</b>	Not Met		Data quality, based on benchmarks and evaluation by local contractor and grantees' quarterly report, is good.
<b>USAID Objective 1: Rule of law and respect for human rights of women as well as men strengthened</b>						
19	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes <b>X</b>	No	N/A		Based on evaluation by a local contractor; data quality is good.
<b>USAID Objective 2: Credible and competitive political processes encouraged</b>						
20	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A <b>X</b>		
<b>USAID Objective 3: The development of politically active civil society promoted</b>						
21	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes <b>X</b>	No	N/A		Based on evaluation by a local contractor; data quality is good.
<b>USAID Objective 4: More transparent and accountable government institutions encouraged</b>						
22	Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes <b>X</b>	No	N/A		Based on evaluation by a local contractor; data quality is good.
<b>USAID Objective 5: Conflict</b>						

Indicator (all data should pertain to FY or CY 01)	OU Response			Fund Account	Data Quality Factors
23 Did your program in a pre-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A <b>X</b>		
24 Did your program in a post-conflict situation achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A <b>X</b>		
25 Number of refugees and internally displaced persons assisted by USAID	Male	Female	Total		
USAID Objective 6: Humanitarian assistance following natural or other disasters					
26 Did your program achieve a significant result in the past year that is likely to contribute to this objective?	Yes	No	N/A <b>X</b>		
27 Number of beneficiaries					

**Table 2: Selected Performance Measures for Other Reporting Purposes**

The information in this table will be used to provide data for standard USAID reporting requirements

**USAID/Morocco**

Indicator (all data should pertain to FY or CY 01)		OU Response		Fund Account	Data Quality Factors
Child Survival Report					
Global Health Objective 1: Reducing the number of unintended pregnancies					
1	Percentage of in-union women age 15-49 using, or whose partner is using, a modern method of contraception at the time of the survey. (DHS/RHS)				This data will be collected in 2002/2003.
Global Health Objective 2: Reducing infant and child mortality					
2	Percentage of children age 12 months or less who have received their third dose of DPT (DHS/RHS)	Male	Female	Total	This data will be collected in 2002/2003.
3	Percentage of children age 6-59 months who had a case of diarrhea in the last two weeks and received ORT (DHS/RHS)	Male	Female	Total	This data will be collected in 2002/2003.
4	Percentage of children age 6-59 months receiving a vitamin A supplement during the last six months (DHS/RHS)	Male	Female	Total	This data will be collected in 2002/2003.
5	Were there any confirmed cases of wild-strain polio transmission in your country?	NO			Based on Government of Morocco's Polio Surveillance System; data quality is excellent.
Global Health Objective 3: Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth					
6	Percentage of births attended by medically-trained personnel (DHS/RHS)				This data will be collected in 2002/2003.
Global Health Objective 5: Reducing the threat of infectious diseases of major public health importance					
7	a. Number of insecticide impregnated bed-nets sold (Malaria) (2001 actual)				N/A
	b. Number of insecticide impregnated bed-nets sold (Malaria) (2002 target)				N/A
8	Proportion of districts implementing the DOTS Tuberculosis strategy				N/A

## HIV/AIDS Report

### Global Health Objective 4: Reducing the HIV transmission rate and the impact of HIV/AIDS pandemic in developing countries

9	a. Total condom sales (2001 actual)				N/A
	b. Total condom sales (2002 target)				N/A
10	a. Number of individuals treated in STI programs (2001 actual)	Male	Female	Total	N/A
	b. Number of individuals treated in STI programs (2002 target)				N/A
11	Is your operating unit supporting an MTCT program?	NO			N/A
12	a. Number of individuals reached by community and home based care programs (2001 actual)	Male	Female	Total	N/A
	b. Number of individuals reached by community and home based care programs (2002 target)				N/A
13	a. Number of orphans and vulnerable children reached (2001 actual)	Male	Female	Total	N/A
	b. Number of orphans and vulnerable children reached (2002 target)				N/A
14	a. Number of individuals reached by antiretroviral (ARV) treatment programs (2001 actual)	Male	Female	Total	N/A
	b. Number of individuals reached by antiretroviral (ARV) treatment programs (2002 target)				N/A

Victims of Torture Report					
Democracy, Conflict, and Humanitarian Assistance Objective 7: Providing support to victims of torture					
15	Did you provide support to torture survivors this year, even as part of a larger effort?	NO			N/A
16	Number of beneficiaries (adults age 15 and over)	Male	Female	Total	N/A
17	Number of beneficiaries (children under age 15)	Male	Female	Total	N/A

Global Climate Change				
USAID Objective 5: World's environment protected				
18	Global Climate Change: See GCC Appendix			N/A



## **PART VII – ENVIRONMENTAL COMPLIANCE**

The proposed special objective (SpO 10) "Making Cities Work" activity will need an environmental determination in the coming year. This three-year and three month, \$7 million (ESF) activity will involve capacity development through training, and limited commodity procurement for NGOs, community associations, and local governments. USAID-funded technical assistance will focus on human resource development and the design of materials and systems that can replicate successful community partnership concepts. Because no negative impact on the natural and physical environment is foreseen, the Mission will recommend a categorical exclusion for this SpO pursuant to 22CFR216.2(c)(1)(i). A description and request will be submitted to the Bureau Environmental Officer during the fourth quarter of FY2002.

SO6 "Integrated Water Management in the Souss-Massa" was approved in FY1999 based on a deferred environmental review of pilot projects, per 22 CFR 216.3 (a) (7). Six pilot projects were designed in FY2001, consisting of:

- Providing hydrologists access to real-time hydraulic data through telemetry;
- Introducing more efficient drip irrigation systems to water users associations;
- Installing electronic billboards to inform farmers of daily water requirements;
- Creating an electronic database on water quantity and quality;
- Developing an inventory of dams, wells, and irrigation systems; and
- Preparing a strategy for mitigating water pollution in urban and rural areas.

In the third quarter of FY2002, the Mission will submit a description and request for an environmental determination to the Bureau Environmental Officer for these pilot projects, all of which are expected to qualify for a categorical exclusion.

All other on-going USAID/Morocco SOs/SpOs are in compliance with their previously approved environmental determinations.

## **ANNEX 2: Special Objective 10 Draft Results Framework - MAKING COMMUNITIES WORK**

### **USAID/MOROCCO Making Communities Work (MCW)**

Total obligation: \$7,000,000, including \$300K DCA loan subsidy

Length of Program: FY 2003 - FY 2006 (three years and three months)

Program Areas:

- a) Strengthen civil society
- b) Support local governance
- c) Encourage productive partnerships
- d) Create visible improvements in communities

"Making Communities Work" is an integrated - multi-sectoral approach to developing communities that weaves together mission D/G efforts with its cross-cutting themes program.

This Special Objective (SpO) will involve capacity development through training, and limited commodity contributions, to NGOs, local community associations and local government. Civil society and government entities will partner in the identification and management of projects that improve the quality of life in their communities. Funding will be through local grants and loans. U.S. technical assistance will focus on human resource development and the design of materials and systems that can replicate successful community partnership concepts beyond the pilot areas of this program.

Events of September 11<sup>th</sup> moved the design forward and crystallized the notion that, within the long range development objectives of Making Communities Work, there should also be elements that "touch the person on the street" quickly and clearly.

This SpO proposal does just that with concrete, visible activities that link to long-term institution building in urban, peri-urban and rural communities. Targeted assistance, such as income-generating activities or education and training, will also reach the expanding and discontented population of youth in Morocco. This new focus sits well within a program designed to improve local governance, civil empowerment and quality of life. Conflict prevention, by definition, is best nurtured in communities that have not yet fallen into violence or into a state of despair.

This is the right approach at the right time. As explained more fully in the text, the rationale for this program is based on the alignment of three key factors: a) U.S. political interests for regional stability, b) an opportune opening on Morocco's political landscape and c) USAID/Morocco's management capacity.

Some other donors are initiating programs in decentralization and many Embassies issue small grants to local associations. However, MCW is the first to marry the concept of good decentralized governance with capable civil society associations in an organized, community centered approach that relies on partnership to succeed - and last.

## **MAKING COMMUNITIES WORK**

### **Draft Results Framework**

#### **A. Background, Problem Analysis, and Target Group**

##### **1. Social, Economic and Political Environment Statement**

Morocco's economy is characterized by relatively strong macroeconomic indicators with persistent structural problems. Inflation level is remarkably low (1.9% in 2000), foreign currency reserves provide for more than eleven months of import coverage (as of the end of 2001), and the current account deficit is maintained at a manageable level. However, economic growth has been anemic over the last decade, largely because of the economy's over-dependence on agriculture and the recurrence of drought (for instance, in 2000, Morocco experienced a second year of economic stagnation because of insufficient rainfall). The effects of this growth pattern are aggravated by slow progress in implementing structural reforms and insufficient spending on social sectors (12% of Morocco's GDP, as compared to 20% in Tunisia). As a consequence, constraints to investment and business development remain high. Moreover, urban unemployment exceeds 22%, the number of poor increased to almost 20% of the population, and social indicators are lagging behind comparable countries.

While it is classified a (lower-) middle-income country by the World Bank<sup>1</sup> based on its per-capita income level, in the UNDP's Human Development Index Morocco is classified 126<sup>th</sup>, out of a total of 174 countries included in the report, among much lower-income countries<sup>2</sup>. The ranking is based on a combination of three indicators (literacy, life expectancy and purchasing power), and Morocco's low ranking highlights inequalities in social and economic conditions. Morocco's illiteracy rate is especially high in rural areas, where 82% of women and 49% of men are illiterate.<sup>3</sup> Other indicators such as access to potable water and health services demonstrate a significant gap between the 47% of Moroccans living in rural areas and those among the swelling urban population.

The stark urban/rural disparity in access to social services such as piped water, health and education has contributed to urban migration rates of 2.9% per year. Simply living in an urban area, however, does not guarantee improvements in the quality of life for many Moroccan citizens. In rapidly growing peri-urban areas, slum conditions pose significant health dangers and contribute to despair and disaffection among youth and under-employed adults. Municipal and other governmental services such as water connections, construction of housing, schools and health facilities often have not kept pace with the explosive population growth in these areas.

The election of opposition parties in 1997 and the ascension of King Mohammed VI in 1999 have created popular expectations for improved conditions and an institutional climate more favorable to social and economic reforms than in the past. The government, a seven-party coalition headed by the socialist party, is committed to fostering political democratization and modernization. With the support of the king—and often at his initiative—the gradual opening of the political system has translated into significant progress in human rights and active political debate. Government policies have placed increasing emphasis on improving governance and fighting corruption. Consequently, important opportunities for new development approaches exist as a result of the current priority placed by the GOM on decentralization, social equity and increased government accountability.

In order to best build on recent experience, the Making Communities Work program will be launched in areas where USAID/Morocco has gained a depth of experience across its portfolio. The Souss-Massa-Draa (SMD) region of Morocco, covering approximately one tenth of both the area and the population of the country, presents significant challenges in both urban and rural development. This region provides an

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<sup>1</sup> Morocco in Brief, May 2000, from World Bank's website.

<sup>2</sup> UN- Common Country Assessment for Morocco, January, 1999.

<sup>3</sup> *ibid.*

opportunity to work with relatively young local government institutions, a variety of private sector groups, and the nascent but flourishing NGO community to develop innovative models for community-level partnerships.

Water scarcity is particularly acute in the SMD region, and in this sense it serves as a bellwether for the rest of the country. Many rural communities face the destruction of their traditional agriculture base and must drastically change their practices, or migrate. "Water refugees" are becoming more common because of a prolonged regional drought, initially forcing men to seek work in the cities and eventually causing the emigration of entire families or even villages. In turn, rapid urbanization due to rural water scarcity is stressing urban infrastructure and exposing people to health risks and other social problems. Unemployment in these new peri-urban areas, particularly among the young, is acute. In addition to the SMD, USAID will also build on the mission's urban office experience, in such areas as Kenitra and Sidi Yahya Gharb -just north of Rabat- for possible early intervention sites.

## 2. Environmental Analysis

This Special Objective will involve capacity development through training, and limited commodity contributions, to NGOs, local community associations and local government. Civil society and government entities will partner in the identification and management of projects that improve the quality of life in their communities. Funding will be through local grants and loans.

U.S. technical assistance will focus on human resource development and the design of materials and systems that can replicate successful community partnership concepts beyond the pilot areas of this program. As no negative impact on the natural and physical environment is foreseen under this element, this Special Objective is recommended for categorical exclusion pursuant to the provision of 22 CFR 216.2(c).

However, since the nature of community driven development is uncertain, the grant and loan components for NGOs and local associations is recommended for a deferral, as the exact activities for them are not known at this time. The Bureau Environmental Officer will be notified when more information becomes available on this element.

## 3. Conflict Prevention Analysis

A peaceful, stable world is a key priority of U.S. foreign policy and one that affects our very future. It is now broadly recognized that development assistance has a crucial role to play in reaching this foreign policy goal. As the seeds and patterns of conflict emerge, it is evident that the root causes of conflict find themselves in those very areas in which USAID has its mandate to operate and in which USAID/Morocco has expertise. Poverty reduction, increased and improved service delivery, improved economic opportunity and growth, better health and education, and improved management of the environment and the earth's resources all relate to the fundamental quality of life. They are inter-related in their complexity and must be approached in an integrated fashion in their resolution.

Polluted air, filthy water, inadequate sanitation and housing affect a growing number of citizens every year. Clearly, increased population also exacerbates tensions due to scarcity and overcrowding. World wide demographic trends show massive rural to urban, and peri-urban, migrations. Ever increasing youth cohorts are part of that shift (e.g., half of the population of Morocco is under the age of twenty-five).

Clearly, a country's economic and social stability is inseparable from its level of development. These are two sides of the same coin. Fortunately, Morocco's leadership is well aware of these fundamental issues and, at its own pace, is moving forward in legal, economic and social domains that should serve it well in the future.

The Royal Palace still thoroughly controls the Moroccan political scene. The King remains widely popular as the "king of the poor" and has begun asserting his authority on the political agenda. For instance, he

recently appointed nine new *Walīs* (super governors) with the professional background to carry through on the King's mandate to provide jobs and improve the economy. This is a bold move to jettison the old boy network of the Ministry of the Interior and meet the issues head-on with leaders who can be effective. Further, a new Minister of the Interior was named - one who has more of a business background than a bullying one. Both the King and the Minister have publicly stated that they want the upcoming elections in September to be free and fair. If carried through, free and fair elections could serve to clean out the old guard and begin to rebuild the public's faith in its political institutions and leaders.

In addition, the King has a strong social sector agenda. He has repeatedly stated that education is the nation's second highest priority (following the resolution of the Sahara issue) and he is a strong supporter of improving basic health, housing, living conditions and the status of women in Morocco. The King has put forward an agenda that will soundly contribute to economic and social stability in Morocco. The U.S. Government must take this opportunity to help him succeed.

#### 4. Gender Analysis

Women play an important, but often unrecognized, role in Moroccan economic life. Approximately 15% of urban women participate in the labor force; in rural areas this figure climbs to over 80%. Economic activity for urban women is centered in the service sector (49.5%) and industry (47.5%), while in rural areas, 85% of economically active women perform agricultural work. Rural working women remain economically active three times longer than their urban counterparts, on average about 45 years.

The economic differences between women in Morocco's rural and urban zones are further reinforced by disparities in social welfare. While statistics for access to potable water, sanitation, health care and literacy in urban areas are consistent with other middle income countries, statistics for rural areas resemble those of the poorest countries of sub-Saharan Africa. National illiteracy rates are 40% and 68% for men and women, respectively; rural averages soar to well over 80%, making the Moroccan rural population—men and women alike—among the least educated in the world

The alarming disparity between men and women remains one of the most persistent challenges facing Morocco. The awareness of the sophisticated elite around this issue must move from urban advocacy to rural action. MCW will help communities address gender issues and integrate women into all stages of the development process.

#### **B. Rationale for Choice of "Making Communities Work" and Time Frame**

The rationale for this program is based on the convergence of three key factors, U.S. political interests for regional stability, an opportune moment in Morocco's political landscape, and USAID's management capacity.

##### 1. U.S. political interests:

Assuming that poverty is one of the root causes of the events that led to the tragedy of September 11<sup>th</sup>, it becomes imperative that an increased stream of resources reach down into impoverished rural and peri-urban communities to address basic needs and diminish grievances. The value in reaching out and "touching" the common Moroccan citizen with tangible input to improve their living conditions has never been more obvious.

MCW is a multi-sector approach whereby USAID, and the American people, can have direct contact with communities to address the needs as expressed by their own citizens and civil society. By utilizing a combination of grants and guaranteed domestic loan resources, small development projects will be implemented by local communities using their newly empowered authorities and autonomy. This initiative further enhances our American values because it will eventually deepen democracy and the democratic process whereby communities assume the leadership in addressing and solving some of their own problems instead of simmering in cynicism while waiting for slow moving central government assistance.

## 2. Opportunity on the Moroccan political landscape:

In addition to the national political agenda already referred to in this document, the GOM is firmly committed to decentralization and to promoting good governance. The January 2002 Royal letter and instructions to the government clearly demonstrated the intent and commitment of the GOM to effectively move forward with reforms to empower local communities.

Recent USAID experience with the GOM General Directorate of Local Government (DGCL) and the new mandate given regional governors (Walis) to introduce and apply the concepts of good governance, provide good indications that municipalities are truly beginning to assume a leadership role to promote sustainable development at the local level.

Hopefully, these combined efforts will also contribute to the proposed re-examination of the communal law currently under consideration in the Moroccan parliament. In addition, municipal elections in 2003 will further emphasize the important role of locally elected officials with mandates to respond to the needs of their constituents.

The ability of government to respond must grow apace with the growing articulation of need brought on by the explosion of the civil society sector over the past two years. A Royal Letter of February 2002 endorsed the need for the partnering of local governance with capable and well managed local associations to properly address the needs of Moroccan society. The ground for fruitful local government and citizen collaboration has never been more fertile.

## 3. USAID/Morocco's management capacity:

USAID/Morocco is at a programmatic crossroads. To reinforce and enhance the current five year strategy of "expanded resource base and capacity for sustainable development," the mission is hereby proposing to consolidate and focus lessons learned under several programs into one SpO. The MCW initiative merges the Mission's democracy and governance efforts of SpO 9 (which comes to an end in FY 2002) and the innovative efforts of the crosscutting theme (CCT) team to work across sectors to develop synergies. In addition, within projected staffing levels, the Mission will still be able to implement this holistic nature of community change through a mechanism that can incorporate selected local social sector initiatives that would otherwise end with the completion of the health and education SpOs in FY 2004.

The proposed time frame for Special Objective Ten is October 1, 2002 to December 31, 2005 -a total of three years and three months.

## **C. Relation to Mission's Goal and major results expected**

The goal of the Mission's strategy is: "Expanded resource base and capacity for sustainable development." As mentioned in the July 2000 Country Strategic Plan, this goal supports Morocco's development policy to achieve higher rates of economic growth so that Moroccans will enjoy higher standards of living. A key objective to the current Moroccan five-year plan is to stimulate more broad-based participation in the country's socio-economic and political life.

As previously stated, the intention of the "Making Communities Work" program is to develop and demonstrate approaches that encourage communities to take responsibility for working together to define and answer their needs. The desired results are: a) more stable, healthy and productive communities; b) effective partnerships between civil society and local authorities; c) improved capacity of target civil society and local governance entities; and d) conditions in the communities are visibly improved.

## **D. Program Areas and Illustrative Activities**

## 1. Program Areas

- Strengthen civil society
- Support local governance
- Encourage productive partnerships
- Create visible improvements in communities

## 2. Illustrative Activities

a) Community selection: Initial focus of this project will be in three of the seven provinces of the SMD region, and in three to five communes in each of the provinces. One of the provinces will be predominately urban, and the other two predominately rural. One additional urban area, outside of the SMD, will be included in the first year. Expansion to a minimum of three provinces outside of the SMD will take place during the second year of the program. Criteria for community selection, and the selection itself, will be done jointly between USAID/Morocco and a consortium of partners, including local and regional authorities. Following is an example of the criteria that would favor intervention:

- A majority of the population has poor access to key social and basic services;
- There are low economic levels of activity and significant under-employment;
- Local elected officials are committed to strengthening governance;
- Real potential for partnership between local authorities, civic associations and private sector actors exists;
- Officials from relevant ministries and regional authorities are ready to work in a multi-sectoral and decentralized approach;
- Local citizens are willing to contribute time or resources.

b) U.S. contractor: Contracting with a U.S. firm, and local sub-contractor, will be finalized in the early months of the program. The Scope of Work will cover the following responsibilities, inter-alia:

- Final setting of the methodology and criteria for awarding of local grants;
- Finalize a Monitoring and Evaluation plan and establish baselines;
- Conduct orientation workshops in selected provinces;
- Conduct training needs assessment;
- Develop materials and carry out training (capacity building, management, partnering, dispute resolution, gender, grant writing, project planning and monitoring, etc.);
- Set mechanisms in place to expand funding options (e.g. loans, private sector partnerships, community cost-sharing);
- Manage USAID grants process;
- Coordinate the programmatic aspects of the domestic loan granting mechanism with the Moroccan financial partner.

c) Limited support will be provided by U.S. NGOs during the transition period of building up local capacity. Focusing assistance at the community level, U.S. NGOs will complement the work of the U.S. contractor and will mentor and develop a minimum of two local association partners to carry on future work.

d) Sample menu of community activities anticipated for grants and loans:

Both loans and grants will be made available to communities. While there will be local reasons for the preference of one mechanism over the other, it is anticipated that many situations will reasonably call for a combination of both. For instance, a community might select improvement of a sewerage system as an activity and obtain a loan for the infrastructure fix. That could be complemented by a grant to a local civic education association to deliver responsible usage and related health messages. The idea is to do what makes sense for each community. In keeping with the holistic spirit of the approach, indicative community activities below are not broken out by sector. Sample activities could include:

- Implement cost-recovery mechanisms for community water supply;
- Replicate integrated water management approaches in communities;
- Develop innovative water savings and drought mitigation technologies for communities;
- Increase involvement of civil society in integrated water management;
- Improve health education/awareness in the community or among specific groups, i.e. youth, women;
- Improve access to reproductive health or child health services for under-served populations;
- Create partnerships for health between public and private organizations;
- Reduce the risk of diarrheal disease or other transmissible disease;
- Basic education, literacy and numeracy for out-of-school youth, to help them re-enter the formal school system;
- Basic life skills and job training for disadvantaged youth and women;
- PTA training in mobilization and partnership building;
- Locally based early childhood initiatives/pre-school education;
- Micro- or mid-size loans to start local business;
- Expanded regional marketing of successful community business;
- Development of local eco-tourism site;.
- Urban planning;
- Latrines and simple drainage systems;
- Household hook-ups for potable water, sewage and electricity;
- Garbage collection and treatment;
- Expansion of irrigation networks.

#### **E. Links to Other Strategic/Special Objectives**

It is a basic assumption of this program that most community improvements will require interventions from more than one sector. The more successful the program is, in a sense, the more links there will be to other mission strategic and special objectives. For example, implementing successful community water management –including cost recovery mechanisms- could also touch on all other sectors in the Mission portfolio.

Current mission objectives in economic growth, water resource management, health, primary education and democracy and governance will, and should, all come into play in SpO 10. However, as there is no pre-set prescription to the activities that communities will develop to meet their needs, it is difficult to now lay out a clairvoyant statement on the final mix of community driven activities.

#### **F. Partner Coordination**

The work, or planned work, of other external development partners falls into two areas, related to this program. The first is support for decentralization and the second is small grants to local civic associations.

With a focus on decentralization, the German GTZ/KFW has already begun field implementation in targeted communities. The French are implementing a long-standing program that twins French and Moroccan cities (currently being re-focused toward a more developmental approach). The World Bank is initiating the establishment of a Social Development Agency that would finance community-based infrastructure and provision of social services. UNICEF is working on child-centered activities in five communes and the UNDP has decentralization elements integrated into its sectoral programs.

In addition, many countries manage small project funds that support local civic associations. Funds go to a wide range of activities in the social sector, advocacy, women's rights, civic education and capacity building (e.g. Japan, Netherlands, Spain, Switzerland, Canada, and Belgium).



Making Communities Work is the first to marry the integrated concept of good decentralized governance in partnership with capable civil society associations in an organized, community centered approach. Initial reaction of partners to this concept has been positive and the interest in collaboration is high. USAID will continue to promote donor dialogue, coordination and information exchange.

## **G. Management Plan**

The Special Objective Core Team consists of the Team Leader (USDH), two FSN program managers and USAID Mission support staff. It will be assisted by an expanded team consisting of a representative from each of the USAID Mission Strategic and Special Objective Teams, the implementing agent and a host country representative from the Regional, Provincial and Community partners.

Management of this SpO is the responsibility of the USAID/Morocco Core Team. This team is responsible for the coordination and management of activities with all Moroccan government entities, private sector partners target communities, implementing NGOs and associations and other donors; assessing and managing the quality of services provided by implementing units; monitoring progress; tracking budgets; evaluating impact on targeted customers; and evaluating progress toward achieving results. The SpO Team Leader is responsible for preparing and submitting semi-annual reports on the progress of implementation, if needed, to Mission management and revisions to annual reports to AID/ Washington.

One U.S. based entity in partnership with a local NGO will implement this SpO. The contractor/grantee will be competitively selected. The selected entity will provide technical assistance and training, manage all field activities, arrange seminars and workshops necessary to coordinate program activities, identify, purchase and distribute limited commodity support for local associations, arrange appropriate orientations, linkages and research with organizations outside of Morocco, set criteria and help manage overall grant and loan strategies and disseminate information on results. The U.S. contractor/grantee will negotiate annual work plans with USAID/ Morocco, which will be the basis for allocation of program resources.

## **H. Resources Required/ Financial Plan**

Total requested funding for SpO 10 is \$7,000,000 in Economic Support Funds over a three-year obligation period (FY 2003 - FY 2005). Of that amount, \$300,000 will be set aside to guarantee loans through the Development Credit Authority (DCA). A multiplier of twenty is the rule of thumb for calculating total loan amount or, in this case, the local currency equivalent of \$6,000,000.

The use of DCA, combined with small grants, can have a tremendous multiplier effect as it can bring in the necessary stream of private domestic resources to finance bankable projects and services, especially those that the communities are willing to pay for. Because citizens are usually willing to pay for acceptable service delivery, the nature of many of these services will likely include small potable water and sanitation systems, solid and liquid waste management, treatment and recycling; home improvements, and employment generation.

The table in attachment A provides a summary of projected SpO 10 obligations.

## **I. Monitoring and Evaluation Plan**

Ongoing performance monitoring, use of data and information dissemination are at the heart of activities under this Special Objective. This will include assessment, documentation and dissemination of lessons-learned. USAID/Morocco sees this integrated, program-oriented evaluation process as ideally suited for an SpO with potential for growth into a Strategic Objective.

In addition to these ongoing efforts, an internal, mid-term management and financial review will be conducted as a part of a wider Mission review in preparation for planning the 2005 - 2010 Country Strategic Plan.

Audits will also occur, following Agency guidelines, when a need is identified in coordination with the Office of Financial Management (OFM) and the Regional Inspector General (RIG) in Dakar.

Indicators will be monitored by first establishing a baseline in the communities selected. Information will be disaggregated by gender and collected in the following manner:

Indicator 1 "Citizens perceive improved quality of life"

USAID contractor/grantee will devise qualitative assessment instrument and carry out statistically significant sampling in target communities once a year.

Indicator 2 "Use of basic services increased"

USAID contractor/grantee will include in community questionnaire and consult local government statistics.

Indicator 3 "Number of people benefiting from partnership activities"

USAID contractor/grantee will include in community questionnaire and consult local government statistics.

Intermediate Result # 1

(a) "Organizational self-assessment shows improvement"

Associations will be trained in self-assessment techniques and take their own pulse at a minimum of three different points in the program. USAID contractor/grantee will train entities and collect data.

Intermediate Result #2

(a) "Number of partnership projects initiated"

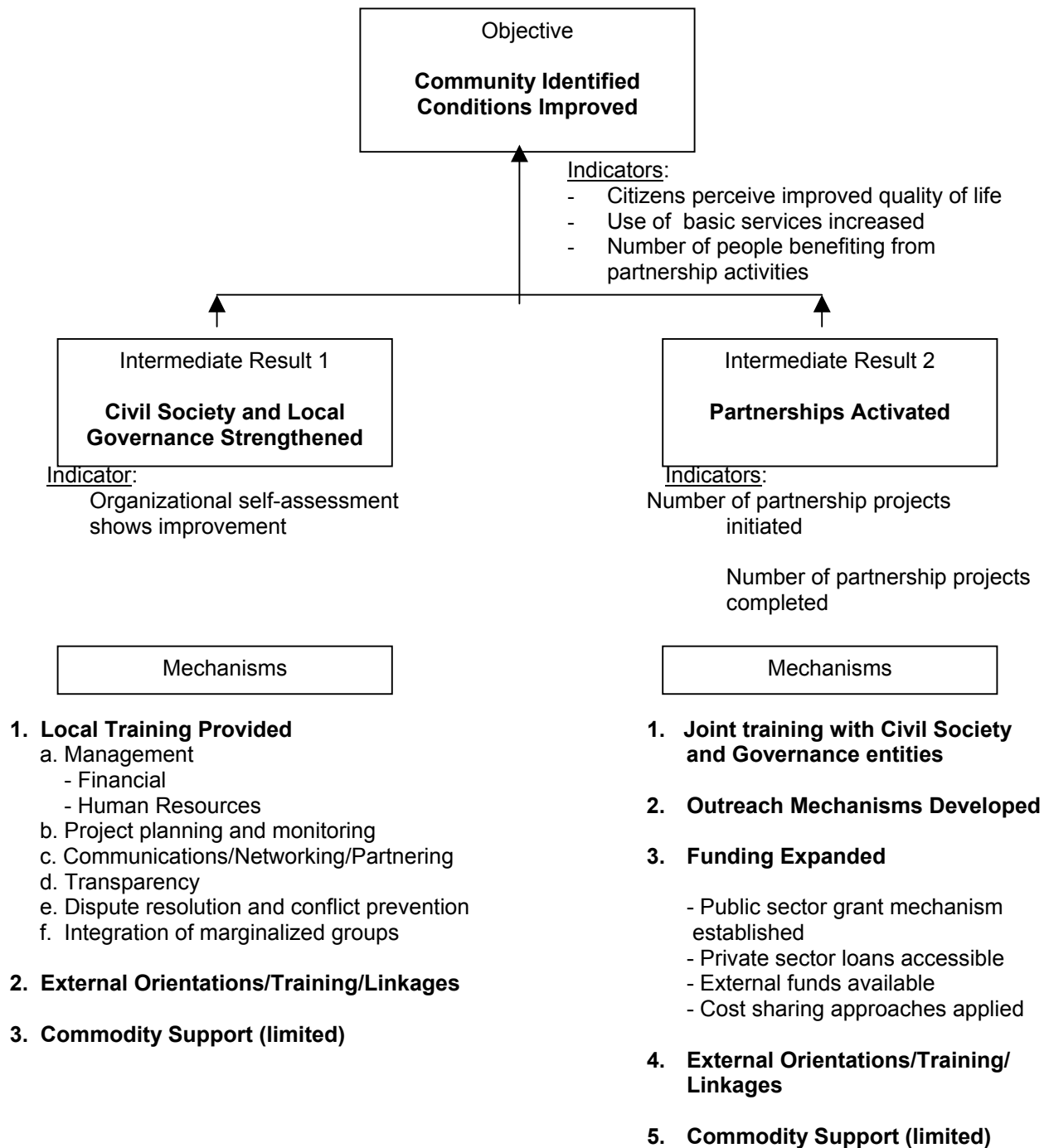
This is a simple tabulation that will be collected in the field by the USAID contractor/grantee on a semi-annual basis. This indicator will be reported because it will give an early sign of collaborative movement, important to mark progress in an SpO of short duration.

(b) "Number of partnership projects completed"

This will be collected by the contractor/grantee, in collaboration with the partner communities on a semi-annual basis. The completion of projects will be tracked for internal management and final assessment purposes.

## Special Objective 10: Making Communities Work

### DRAFT RESULTS FRAMEWORK



**Attachment A:**

**SpO 10 Illustrative Budget (ESF)**

	FY 2003	FY 2004	FY 2005	TOTAL
1. Technical Assistance	700,000	900,000	670,000	2,270,000
2. Commodities	200,000	200,000	100,000	500,000
3. Training	200,000	550,000	430,000	1,180,000
4. Grant/DCA Transfers	450,000	1,050,000	900,000	2,400,000
5. Program Management	150,000	150,000	150,000	450,000
6. Evaluation/Audit/Research	-	100,000	100,000	200,000
TOTAL	1,700,000	2,950,000	2,350,000	7,000,000

Note: This illustrative budget is provided with the assumption that the full amount of ESF Supplemental funding requested by the State Department for Morocco is not received in FY 2002.

## **Attachment B: Special Objective 10 Draft Program Data Sheet**

### **Program Data Sheet**

OPERATING UNIT: USAID/Morocco

PROGRAM TITLE: Making Communities Work (MCW)

STRATEGIC OBJECTIVE: Community Identified Conditions Improved, 608-010

STATUS: New

PLANNED FY 2003 OBLIGATION AND FUNDING SOURCE: \$1,700,000 ESF

PROPOSED FY 2004 OBLIGATION AND FUNDING SOURCE: \$2,950,000 ESF (up to \$300,000 will be applied to DCA loans)

INITIAL OBLIGATION: FY 2003

ESTIMATED COMPLETION DATE: FY 2006

### **Summary:**

- Strengthen civil society
- Support local governance
- Encourage productive partnerships
- Create visible improvement in communities

**Inputs, Outputs and Activities:** *FY 2003 Program:* This will be a year of program start-up. MCW will be implemented by one U.S. Contractor team and two to three U.S. NGOs. Scopes of work will be drafted, proposals reviewed and a final contract and awards, signed. Logistical and programmatic mobilization will be initiated, i.e. staff hired and on the ground, office opened and equipped. The first detailed annual work plan will be finalized and initiated. A program monitoring and evaluation plan will be drafted.

Under the local grants program, the selection criteria, awarding process and selection committee will be established. Loan guarantee mechanisms will be put in place. Initial target communities will be selected. A training needs assessment will be conducted around local governance and civil society partnering issues. A minimum of three program launch workshops will be conducted in the initial target region. A commitment of \$1.7 million is anticipated with around \$0.8 to 1.2 million expended within the FY.

*Planned FY 2004 Program:* Training materials will be designed and a minimum of six workshops conducted on conflict resolution, organizational self-assessment and how to plan, manage and monitor community projects through partnership. Baseline data will be collected in target communities. The first 20 grants and/or loans will be reviewed and issued.

**Performance and Results:** The intention of the "Making Communities Work" program is to develop and support approaches that encourage communities (rural, urban and peri-urban) to take responsibility for working together to answer their needs. The intended results are: a) more stable, healthy and productive communities; b) good partnership between civil society and local authorities; c) improved capacity of target civil society organizations and local governance; and d) conditions in the communities are visibly improved.

**Principal Contractors, Grantees, or Agencies:** One U.S. Institutional contractor and two to three U.S. NGOs will be the key program implementers. Local grants and loans will support activities across program components.

**Linkages:** Because of the holistic approach of this Special Objective, more than one Agency goal and pillar are implicated. This also holds true for the MPP goal. Percentages of anticipated impacts are the following:

Agency Goal "Democracy and Good Governance Strengthened" (40%);

Agency Pillar "Democracy, Conflict and Humanitarian Assistance" (40%);  
MPP Goal "Democracy" (40%);

Agency Goals "Broad-based Economic Growth and Agricultural Development Encouraged," "Building Human Capacity through Education and Training," and "The world's environment protected for long-term sustainability" (40%);

Agency Pillar "Economic Growth, Trade and Agriculture" (40%);  
MPP Goal "Economic Prosperity" (40%);

Agency Goal "World Population Stabilized and Human Health Protected" (20%);

Agency Pillar "Global Health" (20%);  
MPP Goal "Economic Prosperity" (20%).